

REGIONAL SCHOOL DISTRICT

MINUTES

The Exeter-West Greenwich Regional School District School Committee held a meeting on this date at 6:00 p.m. in the Exeter-West Greenwich Jr. – Sr. High School Library. Members present were Gregory Coutcher, Chairperson; Teri Maia-Cicero, Vice Chairperson; Valerie Zuercher, Clerk; Mark Rafanelli; Theresa Donovan, Paul McFadden, and Claudine Pande. Superintendent Thomas J. Geismar, Director of Administration Robert V. Ross. Student Member Matthew French (arrived 6:04 p.m.). Director of Special Services Carmella Farrar was absent.

ORDER – Chair Coutcher called the meeting to order at 6:02 p.m. The Pledge of Allegiance was recited by all. The District Mission Statement was not read.

Open Forum – None

Presentation – Student Member Report – Student Member Matthew French had nothing to report.

ROUTINE ITEMS – CONSENT AGENDA – Superintendent Geismar

gave an overview of the Consent Agenda.

Comments: - Graduation Requirements will be put on the May agenda for discussion.

- The budget update will fall under New Business.

Clerk Zuercher made a motion to accept the consent agenda. Member Donovan seconded the motion. Voted 7 – 0 in favor.

The following items were approved:

A. Approval of Minutes – Regular Minutes of April 12, 2011

B. Personnel Items

1. Appointments

2. Leaves of Absence

3. Resignations

4. Grievances

5. Non-Renewals

6. Recalls

7. Sabbaticals

C. Bills – In the amount of \$193,293.07

D. Home School Approvals

End Consent Agenda

Correspondence – (1) April 18, 2011 Letter to the Superintendent of Chariho Schools Barry Ricci from Dr. Geismar Regarding the 2012-2013 School Calendar; (2) Portsmouth School Committee April

12, 2011 Resolution (Moving Teacher Lay-Off Notification Date); (3)

Portsmouth School

EXETER-WEST GREENWICH April 26, 2011

REGIONAL SCHOOL DISTRICT Page 2

Committee April 12, 2011 Resolution (Supporting Legislative Amendments to Protect RI's Cities and Towns and their Public Officials/Employees); (4) Email from Attorney Gorham Regarding Revisions to page 1 of the EWG Charter; (5) April 12, 2011 Warwick School Committee Resolution (Binding Arbitration); (6) April 12, 2011 Warwick School Committee Resolution (Expired Teacher Contracts); (7) April 18, 2011 Letter to School Committee from Parents Regarding the 2011 – 2012 School Calendar

Budget Update 2011-2012 – Dr. Geismar recommended that the \$928,944 in cuts can come from Transportation/Parochial \$190,344; Transportation/Vocational \$62,181; Transportation/Charter \$103,906; Transportation/In District \$94,016; Tuition/Greene \$112,344; Tuition/Sargent \$165,168; and Tuition/Coventry \$200,985. If the committee accepts these cuts, then this would set line items and the budget. The next question would be the allocations to the towns. Chair Coutcher said we will vote on the cuts first.

Member McFadden stated the School Committee controls the reserve fund.

Clerk Zuercher is concerned about using the reserve fund. What if we have a catastrophe or the need to add a new bus? Cuts are going to dip into the reserve fund.

Chair Coutcher said we will still have a reserve fund even if we have to dip into it. The school committee is going to approve the cuts and then have another discussion allocations to the towns.

Vice Chair Cicero made a motion to approve the 2011-2012 budget. Seconded by Member McFadden. Voted 7 – 0 in favor.

Member McFadden said the West Greenwich proposed budget was to attract the taxpayers. Anyone voting for that amendment was voting for a very attractive proposal.

Clerk Zuercher (left at 6:50)

Clerk Zuercher (returned at 6:51)

Dr. Geismar stated that at the last meeting there was discussion around whether the proposal that was offered as part of the amendment was the way the committee wanted the levy to go or stick to the original levy in the school committee budget or is there another. At the very minimum, the town total allocation needs to be no less than it was a year ago. The West Greenwich council members seated in the audience stated they want to pay the same amount as

last year for the town.

Dr. Geismar stated that every year the formula with the towns becomes an issue; \$22,452,103 last year. He does not think it is wise or legal to go below that. As for total allocation, how it gets divided up from one town to another is difficult. We need to keep true to the kids. Dr. Geismar and Member Pande proposed some numbers: \$22,452,203 level funded; at 45.51% – Exeter – would pay \$10,217,952 an

EXETER-WEST GREENWICH April 26, 2011
REGIONAL SCHOOL DISTRICT Page 3

\$85,317 decrease at 54.49% - West Greenwich would pay \$12,234,150 an \$85,317 increase. West Greenwich is still paying more.

Member McFadden stated that if there are no additional expenditures, that would leave \$137,302 in our reserve fund. He also stated that this is not good business sense. Member McFadden stated if we spend our reserve fund, what we will do next year. He hates gambling on hypothetical. The town of West Greenwich is healthy and the town of Exeter is healthy. He wants to make sure the School Department is fiscally healthy too. Chair Coutcher reminded members that we have cut our budget from year-to-year. We have had a 13 percent staff cut. \$30.8 million is what the district needs.

Clerk Zuercher does not support depleting the reserve fund. We have made cuts and there is no place else to cut. During one budget meeting, the people who came up with the budget cuts said not to take it from the surplus. Now they are telling us to take it. This is not productive to our school department or community.

Member Donovan asked what the impact of our surplus would have if the towns kept the original budget. Director of Administration Ross replied that we are talking about taking \$658,000 out of the reserve. That would be our actual cash reserve, not the WB.

Chair Coutcher is torn. He sees that we basically have a budget of 30.8 million that we need to get to. It is clear where the voters want it to come from. "Do we want to ignore the voice of the people?"

Member McFadden said you could not look at it with emotions but from a fiscally sound point of view. Member McFadden wants to be in West Greenwich's position by being fiscally sound. It is a bad bet to have \$38,000 in reserve. The district has been there before and it is not good. Member McFadden sees that reserve fund being spent on fuel costs. He does not want to see us in the Providence Journal for not being fiscally sound. He does not want to be in the hands of the state. Member Donovan wants to see EWG in a good position the following year.

Member McFadden made a motion that we approve the town

allocations as the School Committee proposed in their original budget. An increase to each town is: Exeter: \$62,650; West Greenwich: \$262,482. Seconded by Member Donovan. Voted 4 – 3 in favor. Chair Coutcher, Vice-Chair Cicero, Member Pande voted no. Vote 4 – 3 in favor. The motion passed.

NEW BUSINESS – Approve Rescinding Letter of Withdrawal from SORICO – Superintendent Geismar and Member Rafanelli are on the Collaborative Council and recommend rescinding the letter withdrawing from SORICO.

First Issue: The collaborative council has voted to cease operations and disband SORICO as of June 30, 2011 or to disband when the building sells. The building is on the market for \$950,000. The property is valued at \$914,200 and sits on a 6.5 acre site. The mortgage balance is approximately \$340,000. The market is soft right now; however, there is interest in one party to lease the property,

EXETER-WEST GREENWICH April 26, 2011

REGIONAL SCHOOL DISTRICT Page 4

which may be a consideration. The list of expenses associated with keeping the building going are in the packet along with a draft of the audit. The collaborative council members present were adamant that those members who withdraw will be subject to legal action regarding their responsibility for the liabilities and would not share in the

assets.

Second Issue: Dividing up the assets. All costs would be shared among the nine districts and all assets will be divided among the nine districts. Dr. Geismar recommends that we stay on the inside where we can have a say in what expenses are made (according to our lawyer). If the group agrees on the way the assets are to be divided, that is the way it will be. Recommendation is that we rescind our letter of withdrawal. Member Rafanelli also recommends that we rescind our letter of withdrawal. He agrees with Dr. Geismar that it is better to be on the inside than on the outside. We do not want to be in a situation where they come after us for a liability. The collaborative Council wants people to work together.

Member Zuercher strongly recommends that we rescind our letter of withdrawal since it sounds like we do not have much of a choice.

Dr. Geismar states it will cost the district about \$13,000 a year in expenses for the building; and it can take two to three years to sell the building. Another liability that was brought about has to be discussed at closed session since because it has to do with potential litigation.

Member Donovan questioned if SORICO's holding corporation is a subsidiary of SORICO. When the company sells the property, will any gain from the sale go to SORICO. Does the holding company

agree with that? Member Donovan wants to make sure that any profit gain will not be diverted to another nonprofit. Member Donovan – a relationship of the subsidiary that follows our votes will be by the members. Superintendent Geismar said that each district has legal representation. Four districts opted out and five districts stayed in. Our legal counsel advises us to stay in. North Kingstown stayed in, however, we are not sure what South Kingston and East Greenwich decided. Dr. Geismar said if we are out, we would not get any assets but legal fees. Nine districts are going to be adamant that its assets go to the districts.

Member McFadden says it is a money pit and we should walk away. Member Pande said she thinks we should stay in. Non-monetary value. If you take a liability out and divide it by nine members, we have about \$50,000 to get out. If we stay in, we may walk away with \$30,000 to \$40,000 (if it sells for \$800,000 to \$850,000). We can debit the \$13,000 to the profit we might get.

Chair Coutcher said a vote would be taken in May.

Member Pande asked if the district could make a conscientious vote on May 12 and then rescind the letter that night conditioned upon dividing the assets up evenly. Dr. Geismar responded that SORICO does not register the word “conditional”. As far as they are concerned, they have to accept the rescind letter. Member Rafanelli does not want to go that route. We maintain the right to rescind.

They do not accept that. We find out if they are concerned. They have to accept the rescinded letter.

EXETER-WEST GREENWICH April 26, 2011

REGIONAL SCHOOL DISTRICT Page 5

Member McFadden thought there was a law that this was a non-profit organization, therefore, the profits will go into the state. There will be very little for them to come after us for. Member McFadden said to walk away because it is being eliminated; he does not think it is going to be a win-win.

Member Donovan is concerned about the holding company because of real estate taxes. Member Donovan is discomforted about the holding company. They have separate financial statements. Concern is that just recently, beginning of this year, they consolidated their financial statements. There is a different set of rules. Does not feel we will gain from this. Clerk Zuercher asked if we should get a legal opinion on Member Donovan's thoughts. Dr. Geismar will pursue this with Attorney Andrew Henneous. It is hard to get direct answers. Dr. Geismar stated that one member of the holding corporation attends the meetings.

Superintendent Geismar will pursue Member Donovan's concerns with the collaborative council. The next Council meeting is May 12th. The SORICO issue will be put back on the next school committee

meeting agenda, May 10.

Audience attendee Lee Kissinger asked the age of the building. The age of the building will give us an idea if there is asbestos since asbestos abatement could cost thousands. The building was built in the 1970's; therefore, probably loaded with asbestos.

Approve Student Assistant Contract for 2012 - Dr. Geismar gave an overview of the Student Assistance Counselor contract at a cost of \$25,000 to the District. This program is a tremendous help to our students and families. The Student Assistant Counselor's work supports Goal 3 of our District Strategic Plan and; in answer to Member Rafanelli's question regarding the Wellness Program, yes; it does support our Wellness program. The District gains a counselor for a very little amount of money.

Clerk Zurcher motioned to approve, Vice-Chair Cicero seconded. Vote 7 – 0 in favor.

Graduation Requirements - Principal Butler spoke briefly from the audience on the new secondary regulations and graduation requirements. This topic, new graduation requirements, will be put on the May agenda for discussion.

UNFINISHED BUSINESS – Capital Project Update – No report

Reports/Comments – None

Important Dates and Meetings – Wednesday, April 27, 2011 – Capital Project Building Committee Meeting; Wednesday, May 4, 2011 – Capital Project Building Committee Meeting; Tuesday, May 10, 2011 – Capital Project Building Committee Meeting; Wednesday, May 18, 2011 – Capital Project Building Committee Meeting; Tuesday, May 24, 2011 School Committee Meeting –

EXETER-WEST GREENWICH April 26, 2011

REGIONAL SCHOOL DISTRICT Page 6

(Special Education Presentation); Wednesday, May 25, 2011 – Capital Project Building Committee Meeting.

EXECUTIVE SESSION – RIGL 42-46-4 and RIGL 42-26-5 – Member Pande moved to go into Executive Session at 7:42 p.m. in accordance with 42-46-5 (a) (4) – Discussion of Investigative

Proceedings Regarding Allegations of Employee Misconduct; seconded by Member Donovan; and voted as follows:

Gregory Coutcher Yes

Teri Cicero Yes

Valerie Zuercher Yes

Mark Rafanelli Yes

Claudine Pande Yes

Paul McFadden Yes

Theresa Donovan Yes

Meeting recessed to Executive Session at 7:40 p.m.

Clerk Zuercher moved to reconvene to Open Session. Member Pande seconded the motion. Voted 7 - 0 in favor.

Meeting reconvened to Open Session at 8:45 p.m.

During Executive Session members voted 7 – 0 to approve the amended executive session minutes of April 12, 2011. And members voted 7 - 0 to seal the executive session minutes of April 12, 2011.

Adjournment – Clerk Zuercher moved to adjourn at 8:45 p.m. Member Pande seconded the motion. Voted 7 – 0 in favor. Meeting adjourned at 8:45 p.m.

KATHLEEN HAWLEY

SUBSTITUTE CLERK